

Federal Health Policy Priorities for 2005-06

Overarching Principle:

Support efforts to ensure quality health care with reliable and affordable benefits that are available to all Americans in a manner that has no significant adverse impact on PEMHCA or on CalPERS members.

Medicare Modernization Act (Part D in particular)

- Oppose any policies that reduce federal support to maintain coverage for retiree health programs. (Cost)
- Continue efforts to ensure a workable implementation of the retiree health subsidy. Ensure that the subsidy is extended to and through CalPERS on behalf of the state of California and contracting agencies. (Cost, Stability)
- Support changes to the Medicare Modernization Act that will allow CMS to enter into direct negotiations with pharmaceutical manufacturers to obtain discounts on prescription drugs. (This will help conserve resources within Medicare and lessen the need to reduce spending by eliminating the federal subsidies for employers, for example.) (Cost, Stability)

Universal Health Care Coverage (or Preserve and Expand Health Care Coverage)

- Support measures to expand employment-based, and publicly-funded health care coverage to ensure access and coverage to the greatest number of citizens. (Cost, Stability)
- Oppose tax policies that have an explicit bias against traditional employer-based coverage. (Cost, Stability)
- Oppose policies that simply shift costs to patients rather than truly addressing health care cost growth. (Cost)
- Oppose cuts in publicly-funded health care programs that simply shift costs and risk to state and local governments. As program efficiencies are identified, reinvest funds to strengthen and improve the under-funded Medicaid program. (Cost)

Prescription Drugs

- Support policies that accelerate the use and broad-based dispersal of generic biopharmaceuticals. (Cost, Stability)
- Oppose policies that unnecessarily extend effective patent life of brand prescription drugs and support initiatives that expand the appropriate use of cost effective, quality generic drugs. (Cost, Choice, Stability)
- Support initiatives that promote transparency and accountability by financing and distributing information about evidence-based comparative prescription drug analysis. (This will help empower purchasers and consumers to make informed choices about purchasing medications). (Quality, Cost, Stability)
- Support workable policies to limit misleading pharmaceutical marketing practices, including direct-to-consumer advertising, that lead to excessive and expensive prescription drug utilization. (Cost, Stability)

Catastrophic Cost Management

- Support efforts to stabilize and make health insurance premiums more predictable through initiatives that subsidize catastrophic reinsurance policies. (Cost, Stability)

Quality/Value/Safety

- Support efforts to increase patient safety and health care quality, and decrease medical errors, such as the expanded use of effective information technology tools and research on comparative effectiveness. (Quality)
- Support policies that increase public awareness of the reasons for variations in health care costs and quality and require health care providers to justify cost increases that vary significantly from the average (Cost, Choice, Quality, Stability)

Long-Term Care

- Support efforts to make long-term care coverage more affordable such as tax policies that allow deductions of long-term care insurance premiums and tax credits for caregivers. (Cost)